

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0990-02
Bill No.: HCS for SB 145 with HA 1, HA 2, HA 3, HA 1 to HA 4, HA 5, HA 6, HA 7, HA 8, HA 9, HA 10, HA 1 to HA 11, HA 12, HA 13, HA 14, HA 15, HA 16, HA 17, HA 18, HA 19, HA 1 to HA 20, HA 21, HA 22, HA 23, HA 1 to HA 24, HA 25, HA 26, HA 1 to HA 27, HA 28, HA 29
Subject: County Officials; County Government
Type: Original
Date: May 9, 2011

Bill Summary: This proposal modifies provisions relating to political subdivisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue Fund	Unknown to (Unknown greater than \$256,655)	Unknown to (Unknown greater than \$241,531)	Unknown to (Unknown greater than \$244,162)
Total Estimated Net Effect on General Revenue Fund	Unknown to (Unknown greater than \$256,655)	Unknown to (Unknown greater than \$241,531)	Unknown to (Unknown greater than \$244,162)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 19 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue Fund	6	6	6
Total Estimated Net Effect on FTE	6	6	6

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	Unknown greater than \$15,000 to (Unknown)	Unknown greater than \$18,000 to (Unknown)	Unknown greater than \$18,000 to (Unknown)

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FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation, Metropolitan St. Louis Sewer District, Department of Health and Senior Services, State Treasurer's Office, Division of Fire Safety, Missouri Highway Patrol, Department of Corrections, Office of Administration, Division of Budget and Planning, Department of Economic Development, Public Service Counsel, Missouri Housing Development Commission, Division of Tourism, Department of Social Services** and the **Department of Natural Resources** assume that there is no fiscal impact from this proposal.

Officials from the **Joint Committee on Public Employee Retirement** state this legislation would not create a "substantial proposed change" in future plan benefits for PACARS, LAGERS, CERF and Firemen's Retirement Systems and Fire Protection District Retirement Plans as defined in Section 105.660(10). Therefore, no actuarial cost statement is required.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

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ASSUMPTION (continued)

Section 55.030

In response to a previous version of the bill (SB 145, 0990-01), officials from the **Office of the State Auditor** and **St. Louis County** assumed that there is no fiscal impact from this proposal.

In response to a previous version of the bill (SB 145, 0990-01), officials from **St. Charles County** estimated a savings of \$18,000 annually by eliminating fixed asset tracking of small dollar items.

Officials from the **County of Jackson** and the **County of Jefferson** did not respond to **Oversight's** request for fiscal impact.

Sections 56.807 & 488.026

In response to an identical proposal from this session (HB 396, 0798-02), officials from the **Joint Committee on Public Employee Retirement (JCPER)** has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

In response to an identical proposal from this session (HB 396, 0798-02), officials from the **Office of State Courts Administrator (CTS)** assumed this proposal would allow a \$4 surcharge for the Missouri Prosecuting Attorneys and Circuit Attorneys' Retirement System Fund to be assessed and against persons who pled and paid a fine through a fine collection center.

Based on data for FY 10, CTS assumes there are approximately 144,138 fine collection center cases on which this \$4.00 surcharge could be applied. CTS anticipates the revenue from a \$4.00 surcharge would be approximately \$576,553 in any given year.

In response to an identical proposal from this session (HB 396, 0798-02), officials from the **Prosecuting Attorneys and Circuit Attorneys Retirement System Fund** assumed based on the number of cases handled by the fine collection center for the fiscal year ending in June 2010, this proposal, if enacted, would increase the annual receipts of the Prosecutors and Circuit Attorneys Retirement System by approximately \$832,000.

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ASSUMPTION (continued)

Section 67.319

In response to a similar proposal from this session (HB 889, 1285-03), officials from the **City of Raytown, Department of Revenue, State Tax Commission** and the **Little Blue Valley Sewer District** assumed that there is no fiscal impact from this proposal.

No other City, Public Water District or Sewer District responded to **Oversight's** request for fiscal impact.

Oversight assumes this proposal is discretionary and would have no local fiscal impact without action by the governing body.

Section 475.115

In response to a similar proposal from this session (HB 88, 0377-02), officials from the **Office of the State Courts Administrator** assumed the proposal would not fiscally impact the courts.

In response to a similar proposal from 2010 (HB 1676), officials from **Cass County** assumed the proposal would not result in a fiscal impact.

In response to a similar proposal from 2010 (HB 1676), officials from the **St. Louis County Public Administrator's Office** stated the proposal would not have much effect on existing practice.

In response to a similar proposal from 2010 (HB 1676), officials from **Jackson County** stated the proposal would cost the county \$250,000 due to transporting wards via sheriff's vehicles, increased manpower hours, and vehicle maintenance and fuel.

The following counties did not respond to **Oversight's** request for fiscal impact: **St. Charles, Nodaway, Holt** and **Platte**.

Oversight assumes this proposal to be permissive and will not reflect a direct fiscal impact as a result of this proposal.

ASSUMPTION (continued)

Section 1

Oversight assumes this proposal is discretionary and would have no local fiscal impact without action by the governing body.

HA 2, HA 1 to HA 4, HA 5, HA 6, HA 7, HA 9, HA 10, HA 1 to HA 11, HA 12, HA 14, HA 15, HA 16, HA 17, HA 18, HA 19, HA 1 to HA 20, HA 21, HA 22, HA 1 to HA 24, HA 24, HA 25, HA 26, HA 28, HA 29

Oversight assumes there would be no fiscal impact from these amendments.

House Amendment 1 - Section 311.297

In response to a similar proposal from this session (0059-01, HB 101), officials from the **Department of Public Safety - Division of Alcohol and Tobacco Control (ATC)** stated the bill opens up alcohol beverage tastings in the State of Missouri. There will be a large proliferation of sampling occurring in the approximately 12,000 licensed locations that will be eligible to have tastings on their premises. ATC will need one Agent to oversee that tastings are conducted in accordance with the regulations, provide server training to third party sampling service providers, and to work on the trade practice issues as a result of wineries, distillers, brewers, manufacturers and wholesalers being allowed to furnish services to retailers. This bill allows retailers with an original package tasting license, and sales by the drink establishments to conduct samplings and allows the winery, distiller, brewer, manufacturer or wholesaler to provide, furnish and pour alcoholic beverages on a retail licensed premise. It also allows the winery, distiller, manufacturer or brewer (not the wholesaler) to hire a third party sampling service to provide tastings. The sampling service employee must take a Division approved Server Training class.

In order to ascertain that retailers are being provided only what is allowed in this bill, and not being provided direct or indirect financial interest as disallowed in Section 311.070, RSMo, ATC will need to routinely inspect and investigate these events. Trade practice issues, which have increasingly become problematic in the State, have the potential to become worse with the top two tiers of the liquor industry (manufacturers and wholesalers) being able to provide services and possible financial incentives to the third tier (retailers). To properly oversee regulation of the industry, the Division will need one Agent, and related expense and equipment.

ASSUMPTION (continued)

In summary, the ATC assumes a cost to the General Revenue Fund of roughly \$75,000 each year as a result of this proposal, which includes a vehicle purchased in the first fiscal year.

House Amendment 3 - Section 447.708

In response to a similar proposal from this session (HB 779, 1942-01), officials at the **Budget and Planning** (BAP) assumed this proposal expands the list of eligible expenses for remediation credits to include environmental insurance premiums and the backfill of areas where contaminated soil excavation occurs. To the extent this proposal results in increased participation in the remediation program, this may reduce general and total state revenues.

In response to a similar proposal from this session (HB 779, 1942-01), officials at the **Department of Economic Development** assumed an unknown negative impact in excess of \$100,00 as a result of the legislation. The legislation revises the Brownfield Remediation Tax Credit program by expanding the items considered to be eligible costs for the tax credit. This expansion will increase the amount of tax credits issued under the program.

In response to a similar proposal from this session (HB 779, 1942-01), officials from the **Department of Insurance, Financial Institutions and Professional Registration** (DIFP) stated it is unknown how many insurance companies will choose to participate in this program and take advantage of the tax credits. The department has no means to arrive at a reasonable estimate of loss in premium tax revenue as a result of tax credits. Premium tax revenue is split 50/50 between General Revenue and County Foreign Insurance Fund except for domestic Stock Property and Casualty Companies who pay premium tax to the County Stock Fund. The County Foreign Insurance Fund is later distributed to school districts through out the state. County Stock Funds are later distributed to the school district and county treasurer of the county in which the principal office of the insurer is located. It is unknown how each of these funds may be impacted by tax credits each year.

In response to a similar proposal from this session (HB 779, 1942-01), officials at the **Department of Natural Resources** and the **Department of Revenue** assumed that there is no fiscal impact from this proposal.

Oversight assumes this proposal is an expansion of what qualifies for the tax credit and has the potential to increase the number of taxpayers eligible for the tax credit. Oversight is showing the impact to the General Revenue Fund as \$0 to (Unknown).

ASSUMPTION (continued)

House Amendment 8 - Sections 143.789, 143.790

Officials from the **Department of Revenue** (DOR) assume this proposal would grant DOR the authority to offset an income tax refund in specific situations and would provide the order of priority in which the offsets would be paid. The proposal also provides specific notification and appeals processes.

Administrative Impact

DOR officials assume that Personal Tax would require two FTE additional Revenue Processing Technician I (Range 10, Step L) to process correspondence and do appointments.

DOR officials also assume that Collections and Tax Assistance would require one additional FTE Tax Collection Technician I (Range 10, Step L) per 15,000 additional contacts annually on the delinquent tax line, one additional FTE Tax Collection Technician I (Range 10, Step L) per 24,000 additional contacts annually on the non-delinquent tax line, and one additional FTE Revenue Processing Technician I (Range 10, Step L) per 4,800 additional contacts annually in the Tax Assistance Offices.

The DOR estimate of cost to implement this proposal including five additional FTE and the related fringe benefits, equipment, and expense totaled \$200,337 for FY 2012, \$201,448 for FY 2013, and \$203,555 for FY 2014.

Oversight has, for fiscal note purposes only, changed the starting salary for the additional positions to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research. Oversight has also adjusted the DOR estimate of expense and equipment cost in accordance with OA budget guidelines. Finally, Oversight assumes that a limited number of additional employees could be accommodated in existing office space. If unanticipated costs are incurred as a result the implementation of this proposal or if multiple proposals are implemented which increase DOR costs or workload, resources could be requested through the budget process.

Oversight also assumes the DOR estimate of expense and equipment cost for additional FTE could be overstated. If DOR is able to use existing equipment such as desks, file cabinets, chairs,

ASSUMPTION (continued)

etc., the estimate for equipment for fiscal year 2012 could be reduced by roughly \$5,000 per employee.

IT Impact

DOR's response to proposals similar to, or identical to, this one in previous session indicated DOR planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff, and the limitations within the DOR tax systems, changes cannot be made without significant impact to DOR resources and budget.

Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$26,712. The value of the level of effort is calculated on 1,008 FTE hours.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA-ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

Oversight assumes that the proposed DOR collection assistance fee would generate additional revenue but cannot determine whether the revenue generated would offset the expected DOR costs to operate the notification, appeal, hearing, and transaction costs which implementing this proposal would involve. Oversight will use the DOR estimate of cost to their organization and will indicate an unknown amount for collection assistance fee revenue.

Officials from the **City of Kansas City** state this proposal may have a positive fiscal impact on the City of Kansas City in an indeterminate amount.

Although **Oversight** is not able to estimate the number or amount of unpaid ambulance service accounts which might be collected, Oversight assumes that the numbers and amount of uncollected accounts would be significant. Oversight also notes that a significant number of ambulance service providers are local government agencies. For fiscal note purposes, Oversight will indicate unknown additional revenue to local governments for this proposal.

ASSUMPTION (continued)

In response to a similar proposal from this session (1285-09, HB 889), officials from the **Missouri Lottery (Lottery)** assumed that this proposal could negatively impact player behavior by allowing offset of lottery prize payouts for public and private ambulance services. Lottery officials stated that staff resources would be necessary to process the offsets, and the proposal would also require IT programming costs and ongoing accounting resources.

Lottery officials provided an estimate of \$100,000 for IT programming to the Lottery check writing system to accommodate for the new offset category, and an unknown cost for administering the offset process.

Oversight assumes that any impact to the Missouri Lottery from this proposal will be minimal; therefore, Oversight will not reflect a direct fiscal impact as a result of this proposal.

House Amendment 13 - Sections 238.202, 238.275, 238.225, 238.235

In response to a similar proposal from this session (SB 49, 219.01), officials from the **Office of Administration, Division of Budget and Planning (BAP)** assumed this proposal would not result in additional costs or savings to their organization. BAP officials also assume the proposal could have a slight positive impact on Total State Revenue (TSR).

BAP officials stated that the proposal would authorize the creation of Transportation Development Districts (TDD) for the purpose of operating public mass transit systems. The TDD could impose sales or property taxes upon approval by the qualified voters within the TDD, which would be collected by the Department of Revenue (DOR). Sales tax revenue collected would be deposited into the newly created "Public Mass Transportation Development District Sales Tax Trust Fund". DOR would be authorized to impose a 1% collection fee to be deposited into the state General Revenue Fund, which would increase TSR slightly.

In response to a similar proposal from this session (SB 49, 219-01), officials from **St. Louis County** assumed this proposal could result in a cost to the County. The establishment of a Transit Transportation Development District (TDD) could limit the ability for that area to establish a roadway improvement TDD because the tax rate for a Transit TDD would encumber part or all of the allowed TDD tax load on an area (up to 1%). St. Louis County officials estimated the cost at \$5 million.

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ASSUMPTION (continued)

Oversight assumes this proposal is permissive in nature and would not create a fiscal impact by itself.

House Amendment 20 - Section 66.640

In response to a similar proposal from this session (1255-03, HB 1019), officials at the **Department of Revenue** assumed the department would need to make programming changes to various tax systems. The department's response to a proposal similar to or identical to this one in a previous session indicated the department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the department's tax systems, changes cannot be made without significant impact to the department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$5,300, which is 200 FTE hours.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA-ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

In response to a similar proposal from this session (1255-03, HB 1019), officials at the **St. Louis County** assumed a minimal impact from this proposal.

Oversight assumes this proposal is permissive in nature and would not create a fiscal impact by itself.

House Amendment 23 - Sections 141.210 - 141.982

In response to a similar proposal from this session (HB 707, 405-03), officials from the **City of Kansas City** stated this legislation would have a positive fiscal impact on the City of Kansas City, Missouri, because the City would spend less on maintaining Land Trust properties. It could save the City around \$500,000 per year (mowing, boarding, demolishing).

Oversight assumes that this proposal could result in savings to the City of Kansas City if properties could be resold more quickly than under existing provisions. Oversight is not able to determine the number or value of properties which could be rehabilitated under this provision.

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ASSUMPTION (continued)

Accordingly, Oversight will indicate savings to the City of Kansas City of \$0 (no properties qualify) to unknown (multiple properties qualify).

House Amendment 1 to House Amendment 27 - Sections 304.120

In response to a similar proposal from this session (1559-01, HB 735), officials from the **City of Kansas City** stated this proposal may have a negative fiscal impact on the City of Kansas City, Missouri. This bill would require the City to provide commercial vehicles at least one, two-way street, that they can use to access any road in the state highway system. If the City lacks such access, then this proposal could have costs.

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<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
<u>Revenue</u> - Department of Revenue			
Collection assistance fees (HA 8 - §143.790)	Unknown	Unknown	Unknown
<u>Cost</u> - Alcohol and Tobacco Control (HA 1-§311.297)			
Personal Service (1 FTE)	(\$29,960)	(\$36,312)	(\$36,675)
Fringe Benefits	(\$15,681)	(\$19,006)	(\$19,196)
Expense and Equipment	(\$13,374)	(\$8,115)	(\$8,357)
Vehicle	<u>(\$17,017)</u>	<u>\$0</u>	<u>\$0</u>
Total Costs - ATC	<u>(\$76,032)</u> 1 FTE	<u>(\$63,433)</u> 1 FTE	<u>(\$64,228)</u> 1 FTE
<u>Cost</u> - Department of Revenue (HA 8 - §143.790)			
Salaries (5 FTE)	(\$94,500)	(\$114,534)	(\$115,679)
Benefits	(\$49,461)	(\$59,947)	(\$60,547)
Expense and equipment	<u>(\$36,662)</u>	<u>(\$3,617)</u>	<u>(\$3,708)</u>
Total Costs - DOR	<u>(\$180,623)</u> 5 FTE	<u>(\$178,098)</u> 5 FTE	<u>(\$179,934)</u> 5 FTE
<u>Loss</u> - Department of Economic Development (HA 3 - §447.708)			
Tax Credit Expansion - environmental insurance premiums and the backfill of areas where contaminated soil excavation occurs	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>Unknown to</u> <u>(Unknown</u> <u>greater than</u> <u>\$256,655)</u>	<u>Unknown to</u> <u>(Unknown</u> <u>greater than</u> <u>\$241,531)</u>	<u>Unknown to</u> <u>(Unknown</u> <u>greater than</u> <u>\$244,162)</u>

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<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings</u> - St. Charles County			
Eliminating fixed asset tracking of small dollar items (§55.030)	\$15,000	\$18,000	\$18,000
<u>Savings</u> - City of Kansas City			
Land bank agency for properties with delinquent taxes (HA 23 - §141.210- 141.982)	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Revenue</u> - Increase in surcharge contribution to Prosecution Attorneys and Circuit Attorneys Retirement Systems (§56.807, 488.026)	\$480,460	\$576,552	\$576,552
<u>Revenue</u> - collection of unpaid ambulance service bills (HA 8 - §143.790)	Unknown	Unknown	Unknown
<u>Expense</u> - Surcharge contribution to Prosecution Attorneys and Circuit Attorneys Retirement System (§56.807, 488.026)	(\$480,460)	(\$576,552)	(\$576,552)
<u>Cost</u> - provide commercial vehicles access to any roads in the state highway system (HA 1 to HA 27 - §304.120)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>Unknown</u> <u>greater than</u> <u>\$15,000 to</u> <u>(Unknown)</u>	<u>Unknown</u> <u>greater than</u> <u>\$18,000 to</u> <u>(Unknown)</u>	<u>Unknown</u> <u>greater than</u> <u>\$18,000 to</u> <u>(Unknown)</u>

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FISCAL IMPACT - Small Business

House Amendment 1 - Sections 311.297

Certain small businesses could offer liquor sampling as a result of this proposal.

House Amendment 8 - Sections 143.789, 143.790

This proposal would have a direct fiscal impact to small businesses which provide ambulance services.

FISCAL DESCRIPTION

Section 55.030

This act requires the auditor of any county with a charter form of government to annually take an inventory of county property with an original value of \$1,000 or more. Current law requires an inventory of county property with an original value of \$250 or more.

Sections 56.807, 488.026

The proposed legislation allows a \$4 surcharge for the Missouri Prosecuting Attorneys and Circuit Attorneys Retirement System Fund to be assessed and collected against persons who pled and paid a fine through a fine collection center.

House Amendment 1 - Section 311.297

This bill allows any winery, distiller, manufacturer, wholesaler, or brewer or designated employee to provide samples for customer tasting purposes at licensed retail premises that have a special permit or a by-the-drink-for-consumption-on-the-premises-where-sold retail license with the permission of the licensee . No money or anything of value can be given to the retailer for the privilege or opportunity to conduct the tasting. An employee of or a sampling service retained by a winery, distiller, manufacturer, wholesaler, or brewer may dispense distilled spirits, wine, or malt beverage samples. All employees of a sampling service who actually dispense samples must complete a server training program approved by the Division of Alcohol and Tobacco Control within the Department of Public Safety.

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FISCAL DESCRIPTION (continued)

House Amendment 3 - Section 447.708

This bill adds the costs of environmental insurance premiums and the backfill of areas where contaminated soil excavation occurs to the list of expenses that qualify for a remediation tax credit.

House Amendment 8 - Sections 143.789, 143.790

Currently, the Department of Health and Senior Services processes claims submitted by hospitals and health care providers requesting an offset of income tax refunds to satisfy an outstanding debt owed by a taxpayer. This bill repeals the provisions regarding the process by which the department requests offsets and authorizes an entity designated as a claim clearinghouse to process and verify requests for an offset for ambulance service providers of taxpayer income tax refunds and lottery winnings to satisfy outstanding debts for ambulance services received. Prior to utilizing the clearinghouse, an ambulance service provider must give certain notices to patients and allow for various levels of review and appeals of their claims. A collection assistance fee allocated between the clearinghouse and the Department of Revenue is assessed to each offset for the costs of collecting the debt. Claims for debts owed to ambulance service providers requesting an offset will receive the least priority as specified in Section 143.789, RSMo.

House Amendment 23 - Sections 141.210 - 141.982

This bill allows the City of Kansas City to establish a land bank agency for the management, sale, transfer, and other disposition of tax delinquent lands and other lands in its possession in order to return it to effective use to provide housing, new industry, and jobs and to create new revenue for the city. The agency must be established by order or ordinance as provided by the city's charter and will only have authority over tax delinquent lands and other lands in its possession located within the city.

The agency is authorized to accept the grant of any interest in real property made to it or to accept gifts and grant-in-aid assistance. It is to exercise all powers that are conferred by Sections 141.210 - 141.982, RSMo, relating to the Land Tax Collection Law, and be deemed a public corporation acting in a governmental capacity.

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FISCAL DESCRIPTION (continued)

Beneficiaries of the agency will be the taxing authority that held or owned tax bills against the respective parcel of real estate sold to the agency at a sheriff's foreclosure sale, and each taxing authority's respective interests in the parcel will be to the extent and in the proportion and according to the priorities determined by the court based on the principal amount of their respective tax bills bore to the total principal amount of all the tax bills described in the judgment.

The agency will be composed of three commissioners appointed by specified officials; and each commissioner must furnish a surety bond, if the bond is not already covered by a governmental surety bond, in an amount of up to \$25,000 to be paid out of city funds.

The agency is authorized to sue and issue deeds in its name and operate as any other corporate body. It can convey title to any real estate it has sold or conveyed by general or special warranty deed. A deed must include the selling price and whether the selling price represents a value equal to or greater than two-thirds of the appraised value of the real estate. If the selling price is less than two-thirds of the appraised value, the commissioners must first procure the consent of at least two appointing authorities. Every effort must be made to sell a property at a price as close to its appraised value as soon as possible. Any property transferred at no cost to a public agency must be agreed to unanimously by the three commissioners; and if the property is sold or disposed of within 10 years by the public agency, the proceeds from the sale or disposal must be returned to the commissioners for distribution.

The agency must maintain a perpetual inventory of all acquired real estate and classify it as for private use, for use by a public agency, or not usable in its current condition. All land owned by the agency can be used as it sees fit including consolidating the land or grouping it for economy, utility, or convenience.

The annual budget of the agency must be prepared by December 10 and delivered to the governing body of each county or city that appointed commissioners for its review and approval. The bill specifies the procedure if one of the governing bodies does not approve the proposed budget.

KG:LR:OD

L.R. No. 0990-02

Bill No. HCS for SB 145 with HA 1, HA 2, HA 3, HA 1 to HA 4, HA 5, HA 6, HA 7, HA 8, HA 9, HA 10, HA 1 to HA 11, HA 12, HA 13, HA 14, HA 15, HA 16, HA 17, HA 18, HA 19, HA 1 to HA 20, HA 21, HA 22, HA 23, HA 1 to HA 24, HA 25, HA 26, HA 1 to HA 27, HA 28, HA 29

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ASSUMPTION (continued)

If at any time there are not enough funds available to pay the salaries and other expenses of the agency, sufficient funds will be advanced and paid to the agency upon its requisition from the governing bodies of which 50% will be paid by the county commissions and 50% from the cities that appointed commissioners. The amount cannot exceed 25% of the agency's annual budget unless agreed to and approved by the county commissions and the cities. These funds will be considered advances and subject to repayment from funds subsequently collected by the agency.

A commissioner or salaried agency employee is prohibited from receiving any compensation, emolument, or other profit from the disposition of any lands held by the agency other than the salaries, expenses, and emoluments provided by law. Anyone convicted of violating this provision will be guilty of a felony and upon conviction be sentenced to between two and five years in the state penitentiary.

House Amendment 1 to House Amendment 27 - Sections 304.120, 444.771, 537.293

This bill restricts municipalities from prohibiting commercial traffic on all streets and provides that it is not a nuisance to legally use a motor vehicle on a public street.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Auditor
Office of State Courts Administrator
Office of Secretary of State
Office of Attorney General
Joint Committee on Public Employee Retirement
Prosecuting Attorneys and Circuit Attorneys Retirement
Department of Revenue
State Tax Commission
Department of Public Safety
 Division of Alcohol and Tobacco Control
 Missouri Highway Patrol
 Division of Fire Safety
State Treasurer's Office

KG:LR:OD

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Bill No. HCS for SB 145 with HA 1, HA 2, HA 3, HA 1 to HA 4, HA 5, HA 6, HA 7, HA 8, HA 9, HA 10, HA 1 to HA 11, HA 12, HA 13, HA 14, HA 15, HA 16, HA 17, HA 18, HA 19, HA 1 to HA 20, HA 21, HA 22, HA 23, HA 1 to HA 24, HA 25, HA 26, HA 1 to HA 27, HA 28, HA 29

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SOURCES OF INFORMATION (continued)

Department of Health and Senior Services

Missouri Lottery

Department of Insurance, Financial Institutions and Professional Registration

Department of Social Services

Department of Natural Resources

Department of Economic Development

Missouri Housing Development Commission

Public Service Counsel

Division of Tourism

Office of Administration

Division of Budget and Planning

Department of Corrections

Little Blue Valley Sewer District

Metropolitan St. Louis Sewer District

Department of Transportation

City of Raytown

City of Kansas City

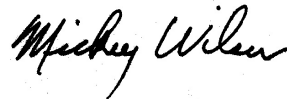
Cass County

Jackson County

St. Charles County

St. Louis County

St. Louis County Public Administrator's Office



Mickey Wilson, CPA

Director

May 9, 2011